

Annual Report

2002 Performance Highlights



... EXISTS TO GOVERN
THE LEGAL PROFESSION
IN THE PUBLIC INTEREST

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The year 2002: Thinking globally, acting locally

IT WAS A GREAT HONOUR TO HAVE SERVED AS TREASURER OF THE LAW SOCIETY OF UPPER CANADA THESE LAST TWO YEARS, TO HAVE BEEN PART OF AND TO HAVE PLAYED A LEADERSHIP ROLE IN THE MANY INITIATIVES AND POLICIES THAT HELP SHAPE THE LEGAL PROFESSION IN ONTARIO AND OUR MANDATE TO GOVERN IN THE PUBLIC INTEREST.



The year 2002 was a year characterized by tremendous activity at the Law Society and I am grateful to our CEO Malcolm Heins and our staff for developing and implementing programs and initiatives in support of the policy decisions made by Convocation, our governing board.

Convocation continued to focus on fulfilling the Law Society's mandate by spearheading policies that meet the varied needs of all those we serve here in Ontario – members of the public, the profession, students and law schools and our community and legal partners.

What set 2002 apart from previous years was the high profile given to issues of international and national significance that have the potential to impact the profession, the way lawyers practise and their clients. This required us to think globally and act locally.

Building and enhancing our relationships with our many partners who are committed to improving access to legal services and the profession was instrumental. By working collaboratively, we were successful on a number of fronts in resolving long-standing issues by developing and recommending proactive and alternate solutions.

This was evident on policy issues that included working with the provincial government around the implementation of contingency fees in Ontario, achieving a modest increase in legal aid fees, convincing the

federal government to exempt lawyers from parts of the money laundering legislation and obtaining consensus from eight law societies across the country on a national mobility agreement.

As the chair of the Federation of Law Societies of Canada's Inter-jurisdictional Mobility Task Force, I had the privilege of steering the national policy agreement through to fruition. This mobility agreement brought eight provinces to the table, including Quebec, in less than 18 months. This is a remarkable achievement.

We also took a more active leadership role in our other work with the Federation. Our collaboration with the Federation and other law societies in challenging certain requirements of the *Proceeds of Crime (Money Laundering) and Terrorist Financing Act* clearly had an impact. The federal government announced in March 2003 that it would repeal parts of the regulations affecting lawyers. This is quite significant in that the original requirements of the Act would have seriously eroded the right of Canadians to independent counsel and to confidentiality when dealing with their lawyers.

As we become more mobile as a profession we are more exposed to international rules and regulations. That is why we made a submission to the U.S. Securities and Exchange Commission (SEC) and influenced them in limiting how their new rules apply to foreign lawyers – another example of how we can succeed when we work together.

On a provincial level, the issue of contingency fees is one that has dominated the public and profession's attention for many years and is an important access to justice issue. As soon as contingency fee arrangements were given the go ahead in Ontario, we changed our rule to allow lawyers to participate.

Another important access issue that moved to the front burner in 2002 was legal aid. Like our many partners in the Coalition for Legal Aid Tariff Reform, we are committed to maintaining and enhancing the certificate-based system, but recognize the tremendous need to overhaul it to attract more lawyers to take on legal aid work. In 2002, we made some modest gains with the government announcing a five per cent increase in the tariff.

The government's most recent announcement in April 2003 of a further five per cent increase in the tariff is a positive step in rebuilding a viable, independent system of legal aid for this province. We look forward to working with the Attorney General to take further steps, including building in a review mechanism for the rate, helping to ensure all people in Ontario have true, reliable access to justice.

As someone who believes in lifelong learning, I had the opportunity to develop stronger working relationships with the six law schools here in Ontario during my term. One of the issues of common concern is the future of legal education and how best to prepare and educate those entering the legal profession. We established a task force that will continue to study this issue and make

recommendations on how to improve and deliver information and education in an accessible and relevant manner.

These are just a few of our policy accomplishments in 2002. You can read more about the details of these initiatives in the policy-making section of this report.

Coming to the end of my term, I am proud of what we have accomplished and the healthy state – in our reserves, our funds and our insurance company – in which I leave the Law Society for my successor.

I was successful, thanks in great part, to the groundwork that was laid by my predecessors – Bob Armstrong and Harvey Strosberg – and the support and contributions made by my colleagues and fellow Benchers during my term.

When I was first elected by my peers, I had certain reasons for wanting to stand for office. It is, of course, a considerable honour to be chosen by one's peers to lead the profession, but more than that, I wanted to make a difference and was realistic in my approach. One can make an incremental difference to a place, make it better than when you came to it and then hope that the next person continues on.

As I prepare to pass on the baton to my successor, I take great pride in what we as a team have accomplished and the role that I have played with my colleagues, counterparts in other law societies and with the administration of the Law Society, to move the organization forward and to provide leadership on issues of importance to the public and the profession ♦



Professor Vern Krishna, Q.C., FCGA

Treasurer
The Law Society of Upper Canada

2002 – A year marked by change for the better



2002 WAS A YEAR IN WHICH WE MADE CHANGES IN VIRTUALLY EVERY OPERATING AREA OF THE LAW SOCIETY IN AN EFFORT TO IMPROVE OUR SERVICE TO MEMBERS OF THE PUBLIC AND THE LEGAL PROFESSION.

We changed the way the Law Society is structured to be able to more effectively serve our diverse clients.

We changed the way we operate so that staff and departments are more service-oriented and results-driven.

We improved the types of programs, products and services we offer to address the needs of the legal profession and the public.

We developed and offered new initiatives that go beyond traditional learning methods and content with a greater focus on practice management and competence.

We launched the Law Society's first-ever online Practice Management Guidelines – an innovative tool to help lawyers assess, maintain and enhance their quality of client service and practice management skills.

With our new e-commerce web site, launched last Fall, we enabled lawyers to conduct a range of transactions online, including paying their fees, registering for continuing legal education (CLE) programs and purchasing course materials.

We expanded the methods of delivery to make our programs more accessible, affordable, relevant and responsive to the needs of those we serve.

For example, we laid the groundwork last year to launch an Interactive Learning Network (ILN) in early 2003. The ILN allows lawyers to attend live programs by video conference without incurring the costs associated with absence from the office and long distance travel.

We improved the way we communicate through technology and the use of the media.

We provided more information to the general public about who we are and how we can help them.



Chief Executive Officer's Message

We changed the way we manage our finances to such a degree that lawyer fees are now among the lowest they have been in 10 years – we have a sustainable budget that provides some predictability for future fees and stable funding to deliver and build on essential programs.

2002 also marked my first full year at the Law Society and the opportunity to meet with members of the profession more frequently and hear first-hand what is important to them, during local visits, conferences and special events and meetings.

Based on my communication with members of the profession, they are telling me the impact of the changes we have made are starting to be felt and seen – and that the impacts are positive.

For example, members of the profession are finding it easier to access CLE and other information and resources that improve their lawyering and practice management skills. They are also finding it easier to conduct transactions such as paying and filing their annual forms.

Students enrolled in the Bar Admission Course (BAC) are finding it more convenient and responsive to their learning needs to take the course or supplement it through initiatives such as online learning.

In addition to the improved experience of the legal profession, members of the public are finding it easier to access information and legal services through enhancements we have made to our Client Service Centre, our regulatory areas, the Lawyer Referral Service and our web site.

This year's Annual Report also marks a change. For the first time, members and other readers will find more information about who

we are, what we do, the programs, products and services we offer and how everything we do supports our mandate.

We have made significant progress in transforming ourselves into a service organization and we have a vision for the future. The Law Society also has a strong, capable, experienced and diverse workforce that brings together a multitude of talents, skills and backgrounds and reflects the communities we serve.

I am proud of the Law Society's employees, their performance over the past year and the progress they have made. The Law Society is now a more focused and forward-looking organization. We have a strategy in place and the people we need to take us to the next level.

I offer my sincerest appreciation to the employees, the benchers and the community and legal partners – all of whom have contributed to our successes last year.

To our many partners in the legal profession and the community at large, I thank you for your input, collaboration and cooperation.

To our employees, I offer my gratitude. You are the front-line people who take the policy decisions made by our governing body and translate them into action and positive results and you do this well.

To the current Law Society benchers and Treasurer Vern Krishna, I thank you for your vision and commitment in supporting the changes we have made at the Law Society. ♦



Malcolm Heins
Chief Executive Officer
The Law Society of Upper Canada

About The Law Society of Upper Canada



Mandate of the Law Society

THE LAW SOCIETY OF UPPER CANADA WAS FOUNDED IN 1797 AS THE REGULATING BODY FOR LAWYERS. ITS MANDATE IS TO GOVERN THE LEGAL PROFESSION IN THE PUBLIC INTEREST BY ENSURING THAT THE PEOPLE OF ONTARIO ARE SERVED BY LAWYERS WHO MEET HIGH STANDARDS OF LEARNING, COMPETENCE AND PROFESSIONAL CONDUCT, AND BY UPHOLDING THE INDEPENDENCE, INTEGRITY AND HONOUR OF THE LEGAL PROFESSION FOR THE PURPOSE OF ADVANCING THE CAUSE OF JUSTICE AND THE RULE OF LAW.

SINCE ITS CREATION, THE LAW SOCIETY HAS GROWN FROM 15 LAWYER MEMBERS TO BEING THE LARGEST BAR IN CANADA WITH ALMOST 34,000 MEMBERS. THE LAW SOCIETY ANNUALLY ADMITS BETWEEN 1,100 AND 1,200 NEW MEMBERS TO THE PROFESSION AT ITS CALL TO THE BAR CEREMONIES.

How the Law Society is governed

The Law Society's affairs are governed by 48 directors known as benchers, 40 of whom are elected by members of the legal profession every four years, and eight of whom are non-lawyers appointed by the Ontario government. In addition, there are ex-officio benchers, such as former Attorneys General and former Treasurers. The Law Society of Upper Canada was the first professional body in Ontario to officially include public representation.

Benchers meet monthly to formulate policy on matters related to the governance of the legal profession at a forum called Convocation. Additional bencher responsibilities include participation on various Law Society committees and sitting on hearing panels to hear conduct, capacity and competence cases. The head of the Law Society is called the Treasurer, who presides over Convocation.

How the Law Society is structured

Once benchers decide on policy direction, Law Society staff is responsible for implementing and operationalizing these policies. The Chief Executive Officer (CEO) is responsible for overseeing this implementation by various departments, which include; Policy and Legal Affairs, Professional Regulation and Professional Development and Competence. Support areas include Equity Initiatives, Human Resources, Communications and Public Affairs, the Client Service Centre, Information Systems, Finance and Facilities.

How the Law Society governs in the public interest

The *Law Society Act* authorizes the Law Society to educate and license Ontario's lawyers and regulate their conduct and competence.

Membership in the Law Society is granted to those who meet certain educational and "good character" requirements. Only members of the Law Society whose rights and privileges are not suspended, may practise law.

Governing in the public interest is the driving force behind the creation and provision of the Law Society's programs and services – from offering the Bar Admission Course (BAC) and calling new lawyers to the Ontario Bar, to enforcing the *Rules of Professional Conduct* and investigating and resolving complaints against lawyers, and operating the Lawyers Fund for Client Compensation.

The Law Society also supports students' and members' life-long learning by developing and offering resources that focus on a continuum of learning, to help them provide quality and competent legal services throughout their careers. These resources include a wide array of programs and services for lawyers such as Continuing Legal Education (CLE), Practice Management Guidelines and library services.

Serving the public and communities

The Law Society offers several programs and services to help the public access the legal services and information they require, and advocates for policies to make legal services affordable and accessible to all.

For example, the Law Society helps connect people to appropriate legal services through its Lawyer Referral Service (LRS). In 2002, this popular public service received 75,000 calls. The LRS provides callers with the name and number of a lawyer who will help them determine if they need legal services and what their rights and options are.

The Law Society also supports other programs that provide legal services and education to people most in need such as Pro Bono Law Ontario and the Ontario Justice Education Network.

The Law Society also encourages those from diverse backgrounds to consider law as a career by matching lawyers with interested high school, law school and Bar Admission Course students, as well as junior lawyers for mentorship opportunities. For lawyers and law firms, the Law Society offers customized equity and diversity training programs and tools to assist lawyers in meeting their obligations under the *Ontario Human Rights Code*. ♦

How we govern in the public interest...

The role of policy making....

Major Policy Issues in 2002

- Anti-terrorism Legislation
- Money Laundering Legislation
- Paralegal Regulation
- Contingency Fees
- Legal Aid
- Inter-jurisdictional Mobility
- U.S. Securities Commission Submission on Proposed Rules
- Minimum Expectations for Professional Development
- Private Practice Refresher Program
- Model Policy – Discrimination and Harassment
- Tuition Fees
- Continuum of Legal Education
- Practice Management Guidelines
- Reformulated Specialist Certification Program
- Design for Practice Enhancement Tool
- Foreign Legal Consultants Policy
- Real Estate Business Brokers Act
- Legal Information Study
- Sole Practitioners and Small Firms Task Force

The mandate of the Law Society of Upper Canada is well defined in its role statement.

CENTRAL TO THIS ROLE IS THE DEVELOPMENT AND IMPLEMENTATION OF POLICIES THAT HELP THE LAW SOCIETY ACHIEVE ITS MANDATE. THE LAW SOCIETY TAKES SERIOUSLY ITS LEADERSHIP ROLE IN IDENTIFYING DEVELOPMENTS, CHANGES AND TRENDS IN CANADIAN LAW AND THE LEGAL LANDSCAPE AND ADDRESSING THE NEEDS OF THOSE IT SERVES. THIS MEANS BEING AT THE FOREFRONT OF MAJOR POLICY ISSUES AT A PROVINCIAL, NATIONAL AND EVEN INTERNATIONAL LEVEL.

IN 2002, NUMEROUS POLICY ISSUES CONTINUED TO DOMINATE MUCH OF THE ATTENTION OF THE LAW SOCIETY'S GOVERNING BODY, KNOWN AS CONVOCATION. THE BENCHERS OF THE LAW SOCIETY CONTINUED TO RESEARCH, DEVELOP AND APPROVE POLICIES ON MANY PUBLIC AND LEGAL ISSUES, WHICH LAW SOCIETY STAFF THEN IMPLEMENTED THROUGH ITS PROGRAMS, PRODUCTS AND SERVICES. WHILE THE LIST OF ISSUES IS EXTENSIVE, FOLLOWING ARE SOME OF THE 2002 HIGHLIGHTS.

Governing in the public interest

Federal Anti-terrorism and Money Laundering Legislation

A continuing theme in 2002 was the impact of new laws and regulations, such as the federal government's anti-terrorism and money laundering legislation, on the rights and freedoms of Canadians. The Law Society added its voice to other jurisdictions and the Federation of Law Societies in raising important concerns around the erosion of fundamental rights and freedoms and the increasing propensity of government to erode, through legislation, the important constitutional principle of client privilege and lawyers' obligation of confidence.

Paralegal Regulation

Another public policy area that the Law Society has been advocating for legislative changes is paralegal regulation – of vital importance to protect consumers.

In the spring of 2002, representatives from paralegal and legal organizations, including the Law Society, came together and developed, in the public interest, a regulatory framework that defines the role for qualified paralegals. The proposed framework outlines a set of principles for paralegal governance and regulation, including requirements for education and training, accreditation, licensing, insurance, a code of conduct and a disciplinary process.

It is the beginning of a consultative process to bring this important issue forward and pave the way for the provincial

government to introduce necessary legislative changes to allow for such regulation.

Legal Aid Tariff Reform

The Law Society continues to support the Coalition for Legal Aid Tariff Reform in its efforts to address the inadequate funding of legal aid.

Our mandate to advance the cause of justice and the rule of law means working to ensure that everyone – including those most vulnerable in society – has access to legal services. That is why in September 2002, the Law Society's governing body passed a resolution asserting its strong endorsement of, and continued commitment to, the current legal aid certificate-based system and why it continues to press the government to adequately fund legal aid.

With legal aid rates dropping significantly in real dollars – the cost of living over the past 15 years has increased by 53 per cent – fewer lawyers can afford to take legal aid cases. Meanwhile the demand for legal aid services grows. Legal Aid Ontario issued 57 per cent more certificates to clients in 2001 than in 1987. And yet in the past five years, the number of lawyers paid to work on legal aid cases dropped from 5,011 to 3,865.

The Law Society was pleased to see some movement last year with the provincial government providing a five per cent increase in the legal aid tariff in the summer of 2002, and again recently with an additional five per cent increase in April 2003. Still, reform of

the tariff system is badly needed. That is why we have continued to advocate for changes that include an ongoing review process of the rate that includes a built-in factor for inflation.

The Law Society continues to work with all of its partners, including the government, to urge changes to the current tariff and to encourage lawyers to continue to take on legal aid to maintain a system of justice that is fair and accessible.

Contingency Fees

The Law Society continued to actively promote contingency fee arrangements in Ontario as another important initiative that helps make legal services more accessible to people in need. Contingency fees tie legal bills to the outcome of a case. If the client wins the case, the client pays the lawyer a percentage of the settlement. If a client loses, the client doesn't pay – the lawyer accepts the risk of not being paid when taking a case on a contingent basis.

The Law Society has long advocated for contingency fees in Ontario. While such fees have been allowed in every other Canadian province – in fact every other jurisdiction in the English-speaking world – they only became legal in this province following a landmark decision by the Ontario Court of Appeal in *McIntyre v. Attorney General of Ontario*, released September 10, 2002.

In October 2002, to pave the way for implementation, The Law Society of Upper Canada approved a new conduct rule on contingency fees. In determining the appropriate basis or percentage for the contingency fees, the rule states that the lawyer and the client in

each case should consider a number of factors including the likelihood of success, the nature and complexity of the client's claim, the expense and risk of pursuing it, and whether the lawyer or client is to receive an award of costs. Any agreement should be in writing and contain a simple example of how the fee is to be calculated. Clients also have the right to apply to the Superior Court of Justice to determine whether a particular contingent fee is fair and reasonable. Under the rule, contingency fees are not permitted in criminal and family law matters.

Inter-jurisdictional Mobility

The year 2002 also marked an important breakthrough in opening up provincial

boundaries and making legal

services more accessible to clients. The Law Society of Upper Canada played a pivotal role in bringing jurisdictions from across the country together to sign an inter-jurisdictional agreement that paves the way for greater mobility.

Led by the Federation of Law Societies' National Task Force on Mobility, signatories from eight jurisdictions gathered in Toronto on December 7, 2002, to sign this historic agreement. The signing was the culmination of a collaborative and cooperative effort of law societies coming together for the common benefit of the legal profession in this country and its clients.



The Task Force, chaired by Law Society of Upper Canada Treasurer Vern Krishna, continues to work with the participating jurisdictions to put a structure in place and write the necessary rules and by-laws.

Submission to the U.S. Securities and Exchange Commission on its Proposed Rules

Increased mobility brings with it great rewards and challenges. One of the consequences of becoming more mobile as a profession is more exposure to international rules and regulations.

For example, late in 2002, the U.S. Securities and Exchange Commission (SEC) proposed rules that would have extended to Canadian lawyers and would have compromised confidentiality between lawyers and their clients. The SEC originally introduced the rules following the passage of the *Sarbanes-Oxley Act* of 2002. The Act requires the SEC to establish rules governing the conduct of lawyers who practise before it.

In December 2002, the Law Society of Upper Canada, together with the Law Society of England and Wales, the Council of Bars and Law Societies of the European Union, the International Bar Association and others, made submissions to the SEC on the proposed rules. The Law Society expressed concerns that clients must be able to discuss all legal issues openly with their lawyer, without fear



December 7, 2002 Signing Ceremony

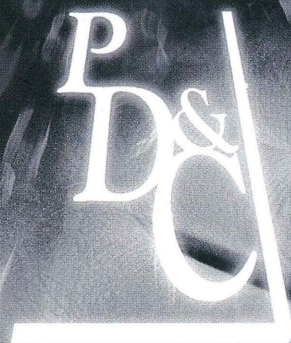
that confidentiality will be breached. This is one of the basic tenets upon which our justice system is founded.

In January 2003, the SEC announced that it was reconsidering its proposed rules recognizing that Ontario already has stringent rules in place, and limiting how the SEC new rules would apply to Ontario lawyers. ♦

The role of Professional Development and Competence

THE *Law Society Act* REQUIRES THE LAW SOCIETY TO ENSURE THAT THE PEOPLE OF ONTARIO ARE SERVED BY LAWYERS WHO MEET HIGH STANDARDS OF LEARNING, COMPETENCE AND PROFESSIONAL CONDUCT. THE 1999 AMENDMENTS TO THE *Law Society Act* REINFORCED THIS OBLIGATION.

THE LAW SOCIETY HAS TAKEN AN ACTIVE, PREVENTIVE APPROACH TO MEMBER COMPETENCE DESIGNED TO SUPPORT LAWYERS IN THEIR EFFORTS TO PROVIDE QUALITY SERVICE AND LEGAL WORK.



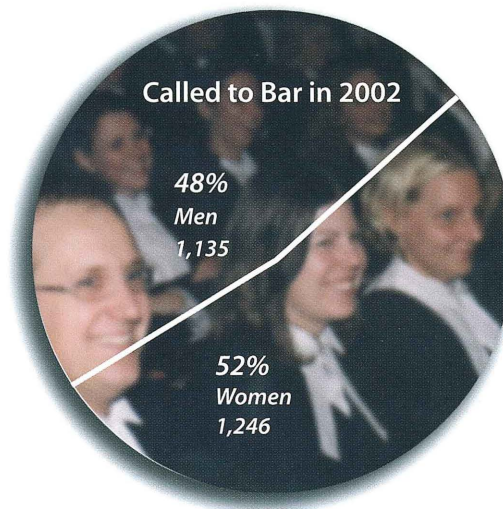
In 2002, we saw an active year in which the Law Society created and delivered a number of new and innovative training programs and resources to assist students and lawyers in their quest for life-long learning, professional development and competence. In developing these initiatives, the Law Society has focused on creating learning opportunities that are relevant, affordable, accessible and flexible. Highlights include:

For Students

Bar Admission Course

The Law Society delivers the Ontario Bar Admission Course (BAC) to ensure that those called to the Bar meet rigorous standards of competence and professionalism. The full BAC program is offered in both official languages, including reference materials, instruction and examinations. This ensures students who receive their legal education in common law in French at the Universities of Ottawa and Moncton continue to have access to their studies in both languages.

In 2002, the Law Society called 2,381 students to the Ontario Bar with ceremonies held in Ottawa, London and Toronto. 2002



was unusual as there was a double cohort which included students who completed the course in December 2001 under the previous BAC schedule. On average, the Law Society admits between 1,100 and 1,200 students to the Ontario Bar each year.

	% of General Population, based on 1996 Census Data	% of total BAC students in 2000	% of total BAC students in 2001	% of total BAC students as of May 2002
Women *	50.8%	52%	53%	53%
Visible minorities**	17.5%	16.1%	20%	16.5%
Francophones**	3.3%	n/a	5%	5.4%
Aboriginal Peoples**	1.4%	1.8%	1%	1.7%

* Based on applications for students who entered the BAC in 2000, 2001 and 2002. Current BAC enrollment is 1,289.

** Percentages obtained from applications for the BAC in 2000, 2001 and 2002, in which applicants voluntarily self-identified.

In 2002, the Law Society created an e-learning web site to provide students with a flexible, accessible and user-friendly learning support system. Recognizing the realities of student schedules and life demands, this system allows students to access the following online:

- Reference materials in PDF format
- Toronto morning lectures (live or archived)
- Supplemental video presentations
- Supplemental material to support study efforts, including: checklists, legislative summaries, fact situations,

exercises to test skills and knowledge

- Practice examinations

Students identified the greatest advantages of the BAC e-learning web site as being able to take the course on their own time (62 per cent) and not having to attend the course in person (53 per cent).

Usage of e-learning site

695 BAC students
used the site,
representing
60 % of the total
BAC students
Total visits were: 18,147

Education Support Services

The Law Society offers students a range of services to support them through their completion of the BAC.

Education Support Services Centre

The Law Society offers accommodation for students in the BAC through the Education Support Services Centre. In 2002, many students used the Centre to access lap tops, special software, make exam arrangements and other special accommodations. More details about the Centre and other special programs are available on page 32.

Distance Learning

For BAC students who do not have access to the exam locations in Toronto, London, Ottawa, Kingston and Windsor, the Law Society provides accommodations to allow them to take the courses, write the examinations and to complete the BAC through self-directed study arrangements. In 2002, 46 students completed sections of the course through distance learning, at 29 different sites across Ontario, Canada and outside of Canada.

Repayable Allowance Program

The Law Society offers financial assistance through its Repayable Allowance Program to those in the BAC who demonstrate need to meet their educational and living expenses during the course. In 2002, the Law Society received 67 applications for this assistance and a total of \$209,000 was approved to assist 58 students.

Law Society Placement Initiatives

The Law Society provides an articling mentor program, job search skills workshops and counselling services to assist students-at-law in finding articling positions. Articling postings are made available on the Law Society's web site.

In 2002, the Law Society held two job search skills workshops in June and posted 115 articling placement opportunities on its web site. Also, 49 BAC students were matched with lawyers for career mentoring and 64 biographical summaries were distributed to articling principals by the Law Society to assist unplaced students in securing articling positions.

For Lawyers

Continuing Legal Education

Enhancing continuing legal education (CLE) to meet the needs of lawyers represents a significant portion of how we assist lawyers in their professional development and competence. In 2002, the Law Society offered CLE in a variety of formats and delivery methods to improve accessibility and assist lawyers in meeting their professional development goals.

Law Society CLE programs continue to be extremely popular and well-attended. In 2002, the Law Society offered 63 CLE programs with almost 12,000 lawyers participating.

Top 10 Most Popular Programs

Special Lectures: Real Property Law
Six-Minute Family Lawyer
Fifth Annual Estates and Trust Forum
Six-Minute Real Estate Lawyer
Six-Minute Separation Agreement
Six-Minute Employment Lawyer
Civil Litigation for Law Clerks
Conduct of the Commercial Real Estate Transaction
Business Agreements
Six-Minute Insurance Law

Interactive Learning Network

Last year the groundwork was laid to launch an Interactive Learning Network (ILN) in early 2003 by videoconference. This initiative enables lawyers to attend live programs without incurring the costs associated with absence from the office and long distance travel. CLE programs are transmitted in real time to between 10 and 20 sites across the province. The sites have been chosen to allow members to travel no more than one and a half hours to attend.

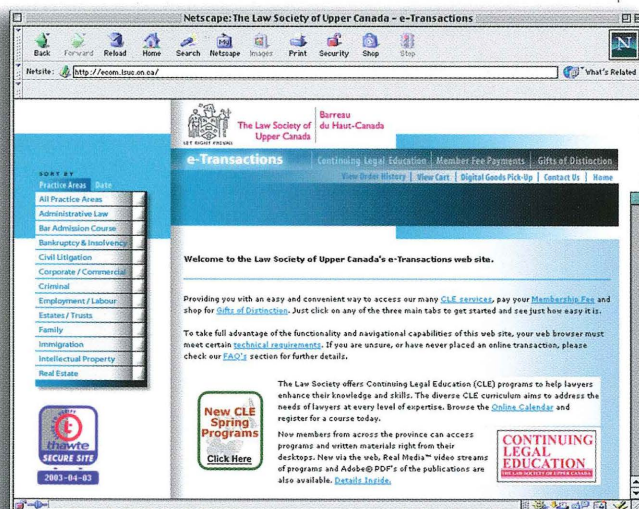
Other CLE Products

The Law Society provides legal publications, including materials prepared for both CLE and BAC programs. 2002 continued to be a strong year for publication sales, with over 10,000 units sold.

E-Transactions

The Law Society continued to use technology in 2002 to make registering and purchasing CLE products easier for members. E-Transactions, a secure e-commerce site, was launched in late 2002 so that members can register online for CLE programs, purchase and download course materials and order and view a program on their desktop.

Also, together with BAR-eX Communications Inc., the Law Society provides Ontario lawyers easy and convenient access to online CLE through the BAR-eX web site.



Practice Management Support

Practice Management Guidelines

Launched in November 2002, the Practice Management Guidelines are practical online tools to help lawyers assess and enhance the quality of their client service and practice management skills, as well as to avoid the errors commonly seen in the Law Society's discipline stream.

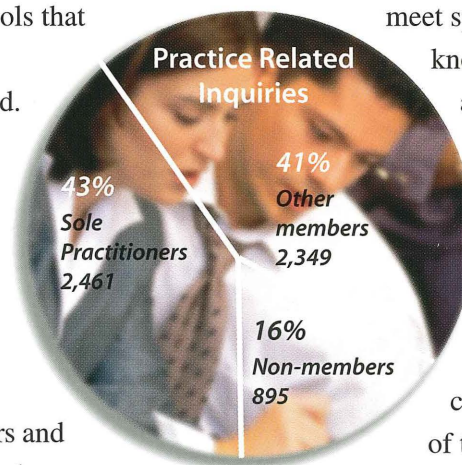
The Guidelines focus on eight practice management areas: client service and communication; file management; financial management; technology; professional management; time management; personal management and closing down your practice.

The Guidelines are supplemented with links to precedents, sample documents and other reference tools that are continually being developed and updated.

Practice Advice

In 2002, Professional Development & Competence counsel responded to 5,705 inquiries from members and representatives of members relating to practice advice, *Rules of Professional Conduct* and ethical issues.

Law Society staff monitor these inquiries and proactively develop a range of resources including articles, frequently asked questions, workshops and practice tips to address member issues.



Spot Audit

Staff conduct audits as a proactive compliance measure and problem detection tool. Audits assist members in measuring the integrity of law firm financial filing, assessing compliance with financial record-keeping requirements and the *Rules of Professional Conduct*. Audits provide on-site guidance to help members correct minor deficiencies in record-keeping practices before they lead to serious non-compliance or misconduct issues. In 2002, the Law Society completed 907 audits.

Specialist Certification

The Law Society provides the designation of Certified Specialist in Ontario for those who meet specific standards of experience and knowledge in designated fields of law and have maintained high standards of professional practice. In 2002, Convocation approved a new Specialist Certification Program based on a developmental, as well as experiential model of achievement. Activities are currently underway to enhance each of the existing specialty areas and to add further specialties.

Equity and Diversity Training

The Law Society offers customized training programs to assist lawyers in meeting their obligations under the *Ontario Human Rights Code* and in building equity and diversity into their legal practice and organizations. Each session is tailored to the specific needs of the

law firm and/or practitioner and is available in many formats, such as seminars, workshops, informal education sessions, continuing legal education and train-the-trainer sessions. As part of the session, the Law Society provides resource materials such as model policies, best practices, case studies and case law, checklists and referrals to other sources.

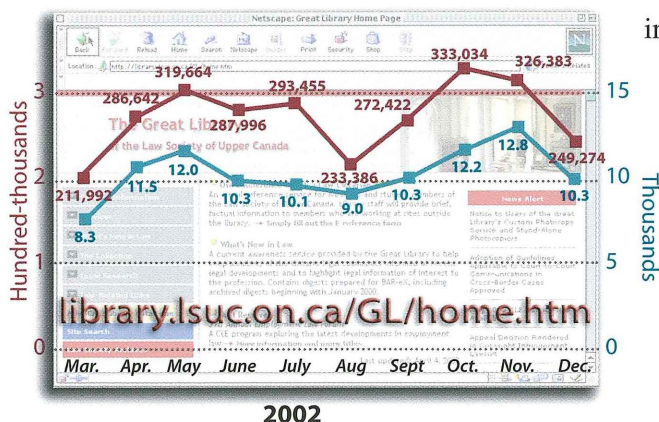
In 2002, Law Society staff, together with the Discrimination and Harassment Counsel, offered these training programs to small, mid-sized and large law firms, legal clinics, government staff, and instructors, with nearly 1,000 lawyers participating.

Library Services

Members support three types of library-related services through their fees: County and District Law Libraries (through LibraryCo Inc.), the Great Library and the Canadian Legal Information Institute (CanLII) – a virtual law library in which the Law Society is a leading participant.

Expenditures for these library services totalled nearly \$10.4 million in 2002. The per member annual fee of \$328 – about a third of the general membership levy for 2003 – supports the Great Library and County Libraries.

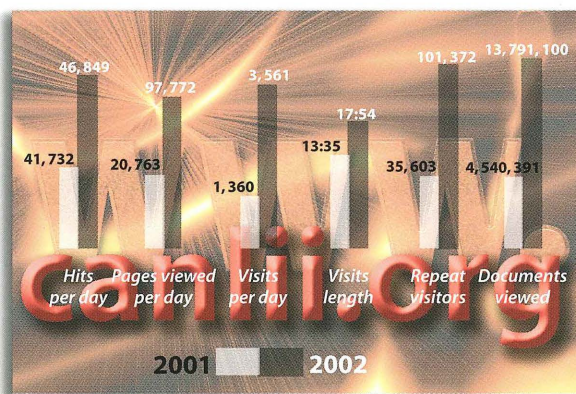
Great Library Web Site – Hits and Visits



The Great Library introduced an e-reference outreach service in 2002. Offered through the Library's web site, members throughout the province use this service to obtain information.

The Great Library's web-based catalogue supports research needs of the membership by providing access to the collection and by delivering full-text online resources. Another popular addition to the web-based catalogue is an index to specific titles of continuing legal education materials.

CanLII Web Use – Averages



“What’s New in Law” is a current awareness online service that highlights new developments in a lawyer's preferred practice area. Developed in partnership with BAR-eX, “What’s New in Law” is one of the most popular features on the library website.

CanLII was originally created as a joint initiative with Canada's other legal regulators through the Federation of Law Societies to provide free legal information from the courts, government and others to both lawyers and the public. In 2002, CanLII added nearly 63,000 new decisions to its site. This brings the available case law collection to more than 115,000 decisions. ♦

Service

THE CLIENT SERVICE CENTRE (CSC) IS THE FRONT-LINE,
ONE-STOP ACCESS POINT TO THE LAW SOCIETY.

STAFF ARE EQUIPPED TO EFFECTIVELY DEAL WITH
A RANGE OF REQUESTS FROM BOTH THE PUBLIC AND
THE LEGAL PROFESSION AND TO PROVIDE SERVICES
IN OTHER LANGUAGES AND FORMATS.

Service Standard

*In 2002,
we answered
96% of all calls
within 20 seconds*

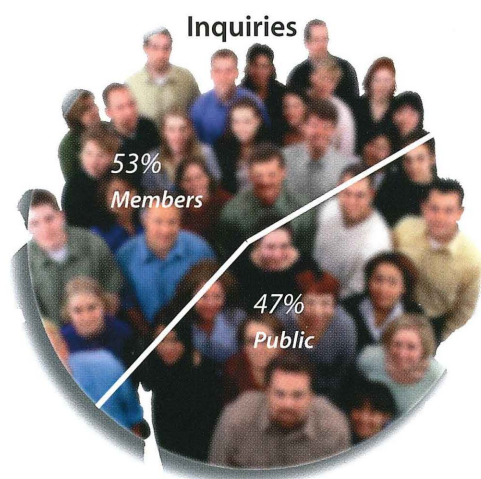


In 2002, the Centre handled approximately 432,000 transactions from members and the public – letters, e-mails, faxes, calls and in-person inquiries. These included general membership inquiries, complaints about lawyers and requests for lawyer referrals, as well as adjusted billings and refunds and contacts regarding administrative compliance processes for members.

The Centre consists of four main areas:

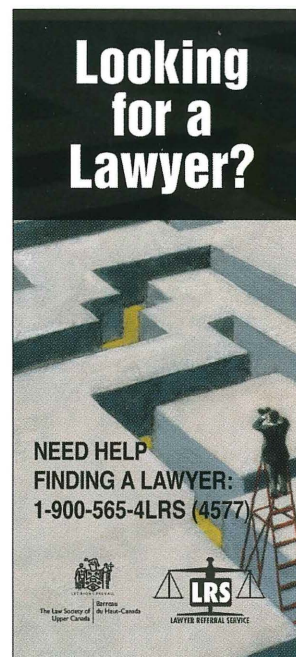
Call Centre

As the primary intake area for incoming calls to the Law Society, staff handle inquiries for: Reception, Complaints Reception, General Member Inquiry, Continuing Legal Education and the Lawyer Referral Service.



Lawyer Referral Service – Serving the Public for More than 30 years

The Lawyer Referral Service (LRS) is a longstanding service that the Law Society has offered for more than 30 years. This program supports the Law Society's role in governing in the public interest by promoting greater access to legal services.



The LRS fills an important public need by connecting people to appropriate legal counsel. The LRS continues to be one of the most successful and popular programs available for Ontarians who may need a lawyer or for those wanting to learn more about their legal options and rights.

By December 2002, 2,085 lawyers were subscribers to the Lawyer Referral Service.

Method of Contact		Percentage
Mail	95,233	22%
Telephone	300,179	69%
E-mail	4,547	1%
E-filing	2,343	1%
Fax	22,743	5%
Walk-ins	6,897	2%
TOTAL	431,942	100%



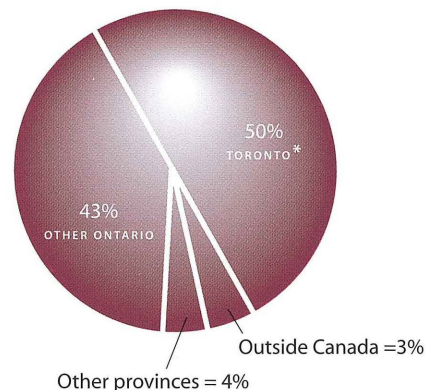
Membership Services

Total membership in the Law Society stood at nearly 34,000 lawyers at the end of December 2002. Staff in membership services process 35 different types of member-related transactions, including member requests and maintenance of basic data (name, address, mailing information, status changes, etc.) for all members. They also process adjusted billings for members whose fee category changes throughout the year.

For example, in 2002, membership services staff:

- Processed 5,183 adjusted billings and refunds
- Made 19,765 database information changes
- Issued 1,106 certificates and photos
- Handled 3,912 other miscellaneous requests

Geographical distribution of members



* Includes: City of Toronto, Etobicoke, North York, Scarborough, York and Borough of East York

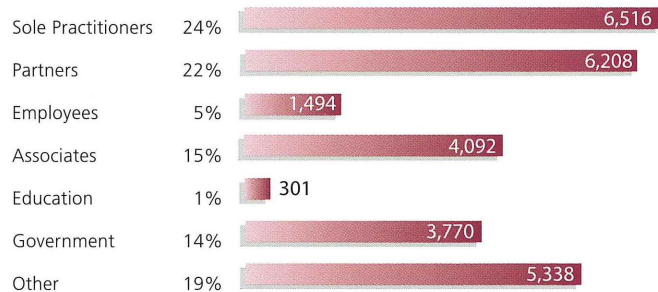
Law firm Size	Number of firms	Number of lawyers in those firms
1 lawyer	5,886	5,886
2-10 lawyers	1,896	6,053
11-25 lawyers	120	1,828
26-50 lawyers	21	738
51+ lawyers	28	3,805
Total in private practice:	7,951	18,310

Membership by Age Range and Sex

		Total	% of Total Membership
Under 30	Men	968	2.9%
	Women	1,247	3.7%
30-39	Men	5,392	16%
	Women	4,575	13.6%
40-49	Men	6,261	18.6%
	Women	3,664	10.9%
50-65	Men	7,346	21.9%
	Women	1,577	4.7%
Over 65	Men	2,467	7.3%
	Women	117	.3%

Membership by area of employment in Ontario

% of total employed members



• Total employed members = 27,719

• Other category includes corporate and non-profit sectors

Administrative Compliance Processes (ACP)

This area is responsible for the design, distribution, collection, and validation for completeness of members' filings via the Members Annual Report. Staff also handle the administrative suspension process, and place courtesy calls to non-filing members prior to suspension.

In 2002, a total of 31,212 Members Annual Reports were received by the Law Society.

In addition, ACP staff develop and administer processes related to the Law Society's by-laws and statutes.

By-law related transactions handled by ACP	
Retirement	125
Resignation	151
Professional Corporations	274
Foreign Legal Consultants	24
Readmission	21
Rule 6.07 - Preventing Unauthorized Practice	8
Affiliations with non-Members	17
Multi-disciplinary Practices	3

Complaints Services

Complaints Services is the first point of contact for anyone who has a complaint about a lawyer. Staff open, log and track all potential complaints; acknowledge receipt of new correspondence; and match existing complaints with any new correspondence. Staff inform complainants about issues that are definitely not within the Law Society's jurisdiction and where appropriate, refer the complainants to other resources. They stream those complaints within the Law Society's mandate to Complaints Resolution or Investigations. ♦

The role of Professional Regulation

ALL LAWYERS ARE REQUIRED TO CONDUCT THEMSELVES ACCORDING TO THE *Rules of Professional Conduct* AND APPLICABLE LAWS INCLUDING THE *Law Society Act*, ITS REGULATIONS AND BY-LAWS.

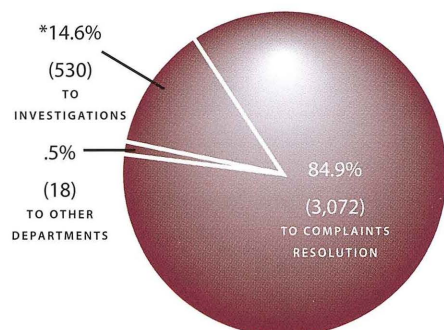
THE LAW SOCIETY MONITORS LAWYER CONDUCT, AND WITHIN ITS MANDATE RESPONDS TO COMPLAINTS ABOUT CONDUCT, THROUGH A PROCESS OF RESOLUTION, INVESTIGATION AND PROSECUTION.

THE LAW SOCIETY'S PROFESSIONAL REGULATION DIVISION OF 105 STAFF CARRIES OUT A VARIETY OF ACTIVITIES IN THE COURSE OF LAWYER REGULATION. THESE ACTIVITIES INCLUDE COMPLAINTS RESOLUTION, INVESTIGATION AND DISCIPLINE PROSECUTION. IN ADDITION, THEY PROVIDE TRUSTEESHIP SERVICES AND THEY OPERATE A COMPENSATION FUND FOR THOSE WHO HAVE SUFFERED LOSS DUE TO LAWYER DISHONESTY.

Receiving complaints

Complaints Services in the Client Service Centre is the first point of contact for anyone who has a complaint about a lawyer. Staff then stream complaints within the Law Society's jurisdiction to either Complaints Resolution or Investigations. When the complainant's issue is not within the Law Society's jurisdiction, attempts are made to identify alternative avenues.

Complaints directed to departments
TOTAL WITHIN LAW SOCIETY JURISDICTION – 3,620



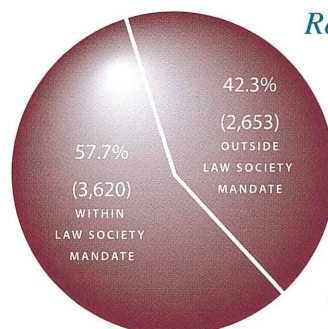
* includes complaints about unauthorized practice

Discrimination and Harassment Counsel

A program available to anyone who may have experienced discrimination or harassment by a lawyer or within a law firm is the Discrimination and Harassment Counsel (DHC). While the Law Society provides funding for the program, it operates at arms-length from the Society, and is available free-of-charge to the Ontario public, including law firm staff, students and lawyers. The DHC confidentially assists callers, advising on the various options available to the caller, and assisting in resolving disputes where appropriate.

In 2002, the DHC received on average 40 calls per month, an increase of 25 per cent over 2001. Almost twice as many of the

New complaints received
by the Law Society in 2002
TOTAL RECEIVED – 6,273



Resolving complaints

The role of Complaints Resolution is to resolve complaints that may involve minor breaches of the *Rules of Professional Conduct*. In addition to assessing and evaluating complaints about

lawyers' conduct and facilitating a resolution of those complaints, staff also monitor member compliance with prior discipline dispositions and the activities of bankrupt members. In 2002, almost 85 per cent of complaints (3,072) were directed to Complaints Resolution. Where a matter arising out of a complaint requires an intensive investigation, it is transferred to the Investigations Department.

Investigating regulatory breaches

Investigations' primary responsibility is to investigate allegations which may amount to professional misconduct or conduct unbecoming, in light of the Act, the By-Laws, or the *Rules of Professional Conduct*. Investigations are authorized under Section 43.9 of the *Law Society Act* by the Secretary. In 2002, almost 15 per cent (530) of the incoming caseload was directed to Investigations.

The investigating staff includes lawyers, investigators and auditors. On completion of

the investigation, a matter may be referred to the Proceedings Authorization Committee (PAC), closed or resolved. The PAC consists of benchers appointed by Convocation to make a determination as to whether a matter ought to proceed to prosecution. The PAC may also authorize file closure, or a case settlement.

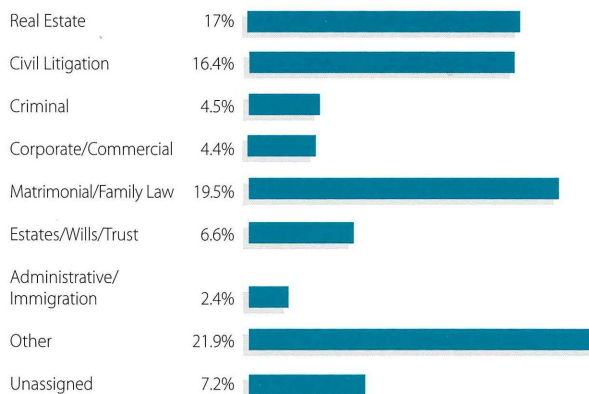
Investigations is also responsible for a number of other types of investigations under the Act. Among these is the prosecution of unauthorized practice under section 50 of the *Law Society Act*. Unauthorized practice occurs when a person holds himself or herself out as a barrister or solicitor without proper Law Society membership.

73 Unauthorized Practice Investigations

- 6 settlements
- 13 prosecutions
- 8 pleas or injunctions
- balance still underway

Complaints received by area of law

only relates to complaints in Complaints Resolution



Complaints Resolution

Nature of Complaint



Investigations

Nature of Complaint



Disciplining lawyers

Discipline counsel represents the Society before Hearing and Appeal Panels and in the courts when appeals are taken from the decisions of these panels. The department is responsible for the prosecution of a variety of matters including those concerning lawyer conduct, capacity, applications for admission to the Society, and applications for reinstatement or readmission.

The majority of prosecutions concern issues of member conduct based on infractions of the *Rules of Professional Conduct*. The Law Society's discipline counsel review and disclose the evidence, and present the case to the Hearing Panel.

Following the hearing, the Hearing Panel

2002 Discipline	
<i>Number of matters heard and disposed of by hearing panel</i>	79
Admonitions	10
Reprimands	10
Suspensions	26
Permission to resign	10
Disbarments	8
Other	1
Dismissed	3
*Withdrawn	14
* 3 of these members are also counted in the disposition category of disbarments and suspensions because the matter was not withdrawn in full.	

issues the order and serves it upon the parties. The parties have a right of appeal to the Law Society's Appeal Panel. The appeal period is 30 days from the date of service of the Hearing Panel order. There is a further right of appeal to the Divisional Court in certain circumstances.

Trustee Services

Staff in this area respond where a lawyer has abandoned his/her practice or has otherwise ceased to practise. Through the use of the Law

Society's trusteeship powers, staff carry out the Law Society's mandate to protect the public interest by taking possession of the practice, if necessary. The department also provides information and assistance to lawyers who are closing their practices.

Trustee Services Complaints	
<i>Activity for 2002</i>	
Reopened	43
Transferred in	190
Transferred out	36
Closed	178

Unclaimed Trust Fund

The Law Society has established a program that enables lawyers to submit unclaimed trust funds that they have held for at least two years to the Law Society. Members of the public who believe they are entitled to these funds will be able to make claims for the funds.

Unclaimed Trust Fund	
<i>Activity for 2002 – Member applications made to Unclaimed Trust Fund Program</i>	
Received	495
Approved	429
Denied	46
Pending	20
Fund Balance	\$433,800

Lawyers Fund for Client Compensation

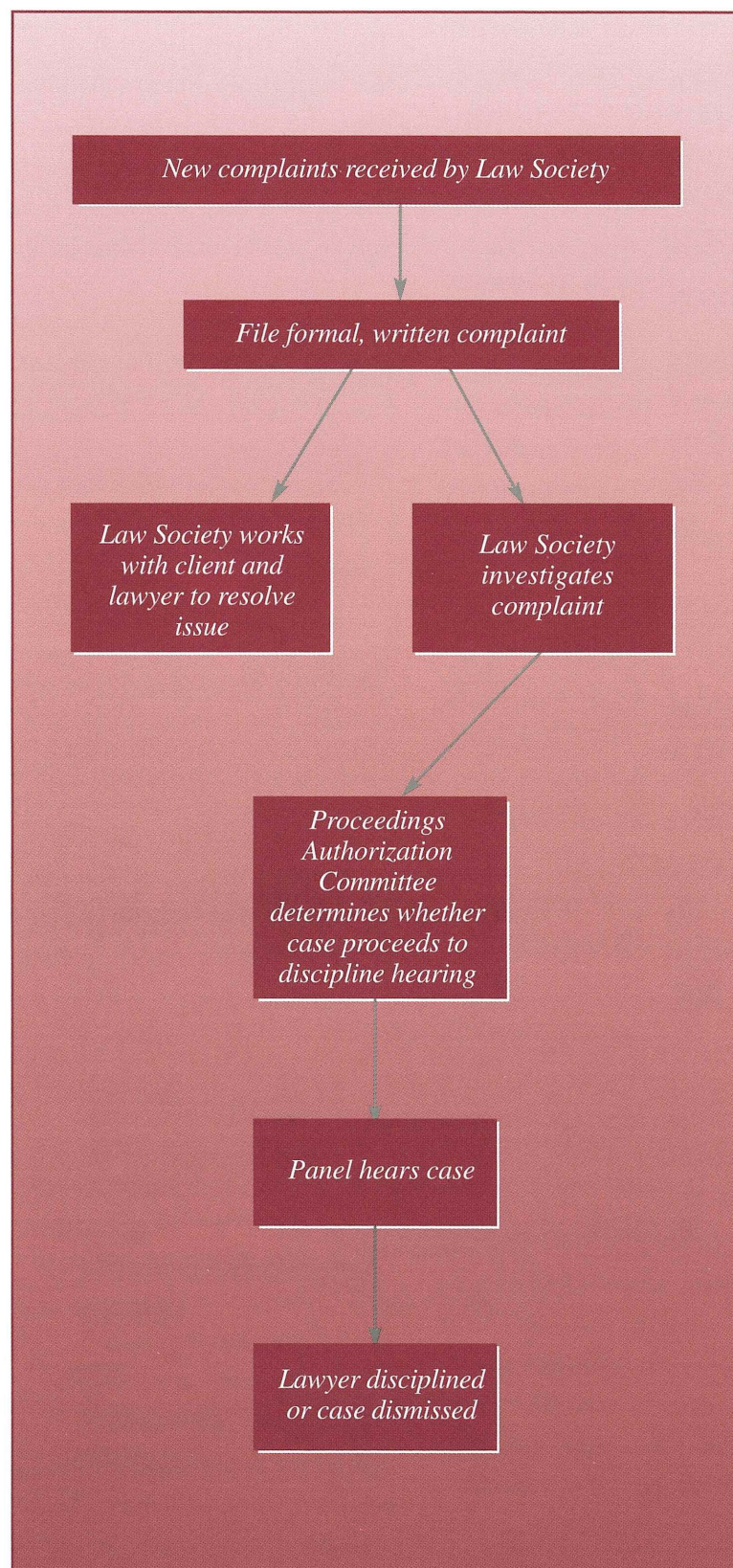
This fund helps clients who have lost money because of a lawyer's dishonesty. It is paid for exclusively by lawyers out of their own pockets. Over the years, the Fund has paid out millions of dollars to help clients.

The fund can reimburse people for up to a maximum of \$100,000, pursuant to the general guidelines for the determination of grants. Typical losses include theft of

money from estates, from trust funds held for real estate closings, from settlements and personal injury cases and money embezzled in investment transactions. ❖

Lawyers Fund for Client Compensation	
<i>Activity for 2002</i>	
Number of new claims/applications received:	163
Value of new claims with limits applied:	\$6,018,984
Total amount of grants (paid out on 91 claims):	\$1,320,887

The Complaint Process



Promoting equity and diversity in the legal profession

THE LAW SOCIETY ACTIVELY PROMOTES EQUITY AND DIVERSITY WITHIN THE LEGAL PROFESSION. IT IS IMPORTANT THAT THE LEGAL PROFESSION BE REPRESENTATIVE OF THE DIVERSITY OF THE COMMUNITIES IT SERVES AND BE ACCESSIBLE TO ALL.

THAT MEANS HELPING TO ENSURE FAIR AND EQUITABLE PRACTICES IN THE RECRUITMENT AND RETENTION OF LAWYERS FROM DIVERSE COMMUNITIES, AS WELL AS IN THE TREATMENT AND SERVICE PROVIDED TO CLIENTS AND EMPLOYEES.

Equity & Diversity

It also means ensuring students, regardless of social or economic status, can access the Bar Admission Course. To this end, the Law Society provides different learning options, including online and distance learning, as well as learning environment supports and accommodations, and financial assistance through the Repayable Allowance Program. The program helps students who demonstrate need to meet their educational and living expenses during the Course, with allowances up to a maximum of \$5,000 per calendar year. In 2002, the Law Society approved a total of \$209,000 to assist 58 students.

Internally, in 2002 the Law Society continued to build equity and diversity values and principles into its core policies, programs and procedures – as a role model for lawyers and law firms in providing and promoting a positive, accommodating and equitable workplace environment.

The Law Society has also developed a series of best practices and model policies to guide lawyers in promoting equity and diversity in all areas of their practice, including employment and provision of services. In March 2002, the Law Society expanded its model policies to include *Preventing And Responding To Workplace Harassment And Discrimination, A Guide To Developing A Policy For Law Firms*.

While the pace of change may take some time to become apparent, the legal profession – like society as a whole – is beginning to see progress in the changing face of the legal workforce.

The Changing Face of the Legal Profession

With membership of the legal profession growing at a rate of approximately 1,000 annually, the increasing diversity of the profession is evident. More women, people of colour, Aboriginals, gays, lesbians, bisexuals and transgendered people, individuals with disabilities, and Francophones are entering the profession and bringing with them a diverse range of knowledge, skills and experience that enables the profession to better understand and address Ontario's rapidly changing communities.

Statistics Canada, in announcing the results of the 2001 census, showed that the most common occupation for women earning over \$100,000 a year is the law (it is the fifth-most common for men).

Many factors contribute to the trend of increasing numbers of women and those from diverse communities entering the profession of law. The Law Society provides a range of services and programs to lawyers, law firms and students at law and works closely with community groups and schools to encourage law as a career. Here are some of the highlights of the Law Society's efforts:

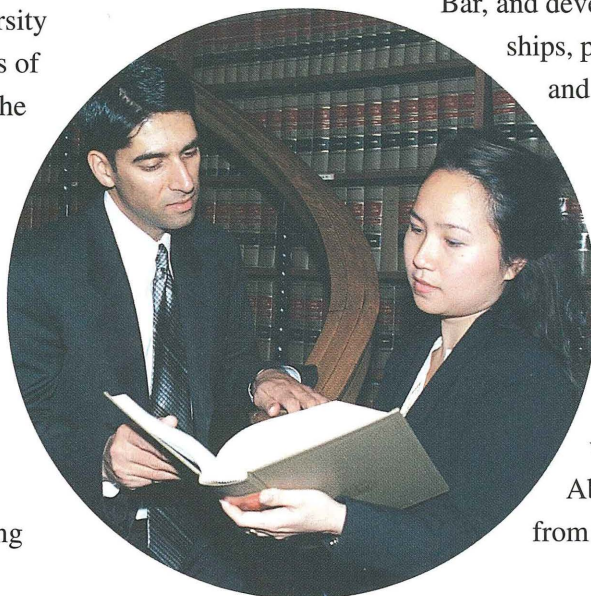
Equity and Diversity Mentorship Program

The Law Society encourages students from diverse backgrounds, including Aboriginals, Francophones and equity-seeking students, to consider law as a career by matching high school and university students with members of the legal profession. The program provides matches for law school students, students-at-law and new calls to the Bar with mentors and offers a range of supports, from academic and career advice to job shadowing opportunities or co-op placements. School boards and community agencies, along with many other equity-seeking communities, support the program.

In 2002, there were 30 students enrolled in the program with more than 50 lawyers available to provide mentorship opportunities, in both Ottawa and Toronto.

Student Outreach Initiatives

Law Society staff coordinate and participate in student outreach initiatives to raise awareness of what the practice of law is really about, and to help promote resources and support services available to students interested in pursuing law as a career, including information on admissions and financial aid, mentoring and co-op opportunities.



The Law Society continues to work with members of Rotiio' taties and others in the Aboriginal Bar to support students in their legal education, foster a sense of community among the students and the Aboriginal

Bar, and develop mentoring relationships, professional development and articling opportunities.

In 2002, Law Society staff attended all six Ontario law schools twice, McGill University and the University of Victoria and coordinated workshops for current Aboriginal law students from across Canada.

Community and Legal Partnerships

Law Society staff work in partnership with many communities and legal organizations to support the Law Society's policies, programs and initiatives to promote a legal profession that is representative of the communities it serves and on a range of issues of mutual interest.

Partners have included: Pro Bono Law Ontario, Association des juristes d'expression française de l'Ontario, Rotiio' taties, Aboriginal Legal Services of Ontario, Metis Nation of Ontario, Association for Native Development and the Performing and Visual Arts, City of Toronto, Sexual Orientation and Gender Identity Committee (OBA), Feminist Legal Analysis Committee (OBA), Official Languages Committee (OBA), A Legal Advocacy Resource Centre for Persons with

Disabilities, South Asian Lawyers Association, Canadian Association of Black Lawyers, Chinese Canadian National Council, the Urban Alliance on Race Relations, Women's Legal Education Action Fund, Black Law Students Association of Canada, African Canadian Legal Clinic, HIV/AIDS Legal Network, the Multicultural History Society of Ontario, and many others.

The Law Society continued to host and participate in public education activities for Black History Month, International Women's Day, Lesbian and Gay Pride, National Aboriginal Day, South Asian Heritage Month and National Access Awareness Week.

The Law Society also hosted three major conferences in 2002. They included:

- the first ever *Promoting Dialogue, Creating Change – Equity and Diversity in the Legal Profession Conference*
- the annual conference of the Association des juristes d'expression française de l'Ontario (association of French-speaking lawyers of Ontario), "*Les complices de la justice*"
- the Indigenous Bar Association's 14th Annual Fall Conference, "*Self-Government: Inherent Rights and Institutional Development*"

Education Support Services

The Law Society provides supports and services that improve the learning environment for all students and offers accommodation for students in the Bar Admission Course (BAC). Accommodations include examinations in alternative forms such as audiotape, braille and text-to-speech and special equipment for persons with visual and auditory impairments.

In 2002, 64 students accessed the support services available through the Education Support Services Centre, including laptops, special software to assist the visibly and hearing impaired, private rooms, additional exam time, one-on-one American sign language interpretation, and real-time captioning during exams. ♦



Our operating principles....

Communicating better in a rapidly changing environment and maximizing technology

THE LAW SOCIETY PLACES PARAMOUNT IMPORTANCE ON COMMUNICATING EFFECTIVELY WITH MEMBERS OF THE PUBLIC AND LEGAL PROFESSION - NOT ONLY TO ENABLE THEM TO ACCESS LAW SOCIETY SERVICES - BUT ALSO TO KEEP THEM INFORMED ABOUT IMPORTANT DEVELOPMENTS AND CHANGES IN THE ADMINISTRATION OF JUSTICE AND LAWS AND REGULATIONS AFFECTING THE PRACTICE OF LAW.

THE LAW SOCIETY HAS A STRATEGY TO COMMUNICATE WITH ITS STAKEHOLDERS THROUGH A VARIETY OF METHODS THAT INCLUDE MEDIA RELATIONS, ADVERTISING, PUBLICATIONS AND WEB-BASED TECHNOLOGY.

Communications & Technology



Media relations activities

In communicating with the public the Law Society continued to make the organization more transparent and accessible – to help the community better understand how we regulate the profession in the public interest, the services we offer and how the Law Society can help them.

To this end, we stepped up media relations efforts to increase public awareness of the Law Society's regulatory activities, services and corporate initiatives and community partnerships. We distributed double the news releases from 2001 and significantly increased media coverage to raise the profile and impact of key legal issues on lawyers and members of the public.

Specifically in 2002 the Law Society:

- Distributed over 100 media releases, community notices and public service announcements on a range of issues of importance to the public and the legal profession on topics such as money laundering and anti-terrorism legislation, paralegal regulation and the Lawyer Referral Service (LRS).
- Continued to distribute a list of upcoming discipline hearings and subsequent disciplinary results on a monthly to bi-monthly basis. As well, most of this information was posted online and distributed to the media province-wide.
- Dealt with over 600 requests (approximately double the amount in 2001) for interview and photo opportunities and requests for information from the media

Advertising

To improve general awareness of the Law Society's Lawyer Referral Service (LRS), we developed and ran a pilot radio advertising campaign during the month of October 2002. We ran three 30-second radio public service announcements in select media markets across Ontario, for four weeks that provided consumers with information about how to find a lawyer and to learn more about their legal rights and options.

To support the paid advertising component, the Law Society complemented the campaign with a cost-effective media strategy by distributing letters to the editor and feature articles to community, mainstream and legal media. As the radio spots promoted a public service, a number of media outlets supplemented the ads with public service announcements.

The Lawyer Referral Service continues to be one of the most in-demand programs of its kind. Tracking during the campaign reinforced the popularity of this public service.

Publications

Published five times a year, the *Ontario Lawyers Gazette* is the primary publication the Law Society produces to deliver timely information of interest and relevance to the province's 34,000 lawyers. The Law Society continues to enhance the newsletter, incorporating useful tools and resources that help members keep on top of Law Society and professional matters, as well as explore current issues and trends affecting the legal profession.

Last year the Law Society produced a special issue of the *Gazette* that focused on professionalism – a transcendent theme that continues to dominate many debates and discussions among the profession. The special format allowed for the inclusion of the full text of articles and speeches of historical significance that delve into the importance of professionalism and the impact it has on the public's confidence and credibility of the profession.

Technology

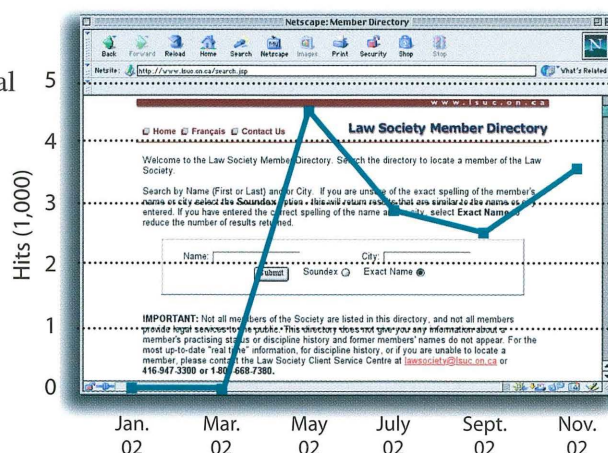
At the heart of many initiatives and service improvements launched last year was a continued emphasis on maximizing technology. By exploring alternative methods of providing information, the Law Society was better equipped to serve both lawyers' and the public's needs for support, information and advice.

The Law Society continued to make further improvements to its public web site (www.lsuc.on.ca) to enhance navigation and content and add new capabilities, resulting in higher overall web traffic and hits to the site.

Online Membership Directory

To make it easier for visitors to our web site to locate a specific lawyer, the Law Society launched its first-ever online membership directory in April 2002. This directory is available in real time in that membership information is updated every 24 hours.

Member Directory Hits



As part of the Law Society's goal to have a comprehensive lawyer database, the organization continued to integrate information about Bar Admission Course (BAC) students into its overall member database. In doing so, the database will track a continuum of information about a member, beginning with his/her application for admission to the BAC and throughout one's careers.

E-learning

Launched in July 2002, the e-learning site allows all students enrolled in the BAC to access course lectures, video presentations, and text materials online. Lectures can be viewed live while in progress, or later at the student's convenience in an archived format. Practice examinations and marking guides are also available for review. As well, students can access a new interactive online bulletin board, where they can post specific comments or questions pertaining to each course and view items that other students may have posted throughout the course.

Within the first month of its launch, there were more than 879,000 hits to the site. On average, there are 90 new visitors to the site each day, and repeat visitors account for a 33.5 per cent each day.

Electronic Transactions

As a service improvement to lawyers, the Law Society enabled members to

as an alternative to paper filing and is available in English or French. In 2002, over 2,300 lawyers took advantage of this convenience by filing their MAR electronically.

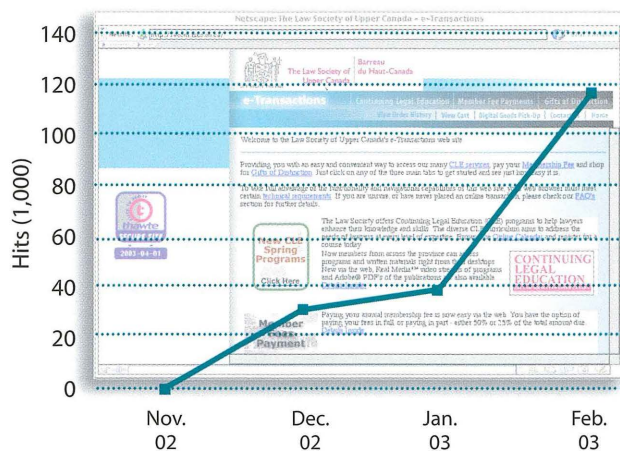
The Law Society will continue to promote this electronic service in 2003, especially with nearly 22,000 lawyers being on e-mail. In 2002, the Law Society communicated with members via e-mail about important issues and breaking news.

In the fall of 2002, the Law Society launched an e-commerce web site to make it easier for lawyers to conduct a range of transactions online. With e-transactions, lawyers can pay their fees, register for Continuing Legal Education (CLE) programs and purchase course materials all online. The system also enables lawyers to receive streamed on-demand video service and view programs from their desktops.

Discrimination and Harassment Counsel Web Site

To increase public awareness of the Discrimination and Harassment Counsel (DHC) Program, the Law Society created a comprehensive web site that provides members of the public and profession with information and options. Funded by the Law Society, the DHC offers support to those who have experienced discrimination or harassment by a lawyer, or within a law firm. The web site contains valuable information about the program, frequently asked questions, links to publications and other helpful resources. It can be accessed at www.dhcounsel.on.ca. ♦

Law Society e-transaction site activity



file their Members' Annual Report (MAR) electronically, through e-Forms on the web site. The e-Forms system is easy to use

Our operating principles...

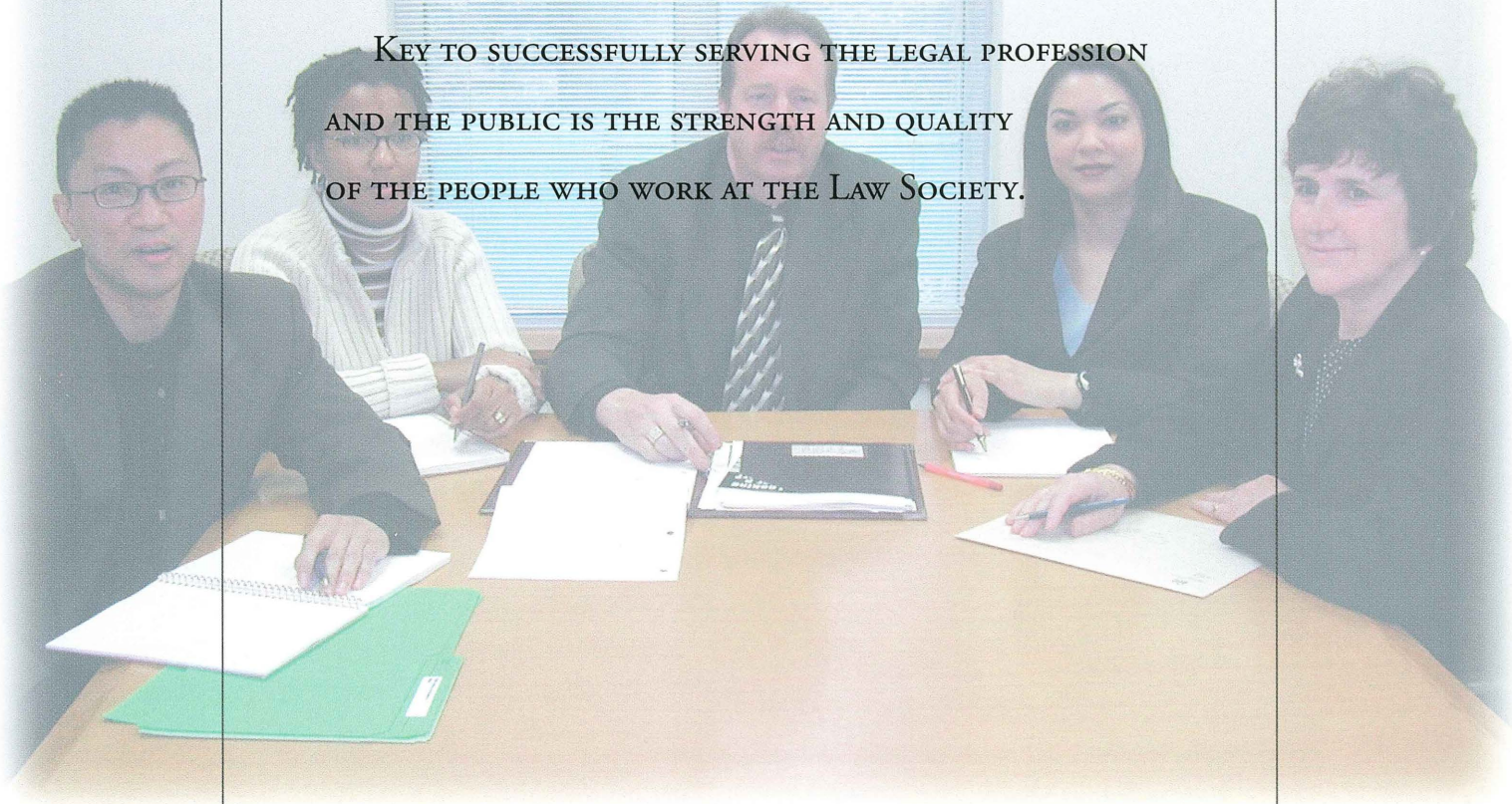


Investing in our workforce...

Hiring employees committed to service...

THE LAW SOCIETY EMPHASIZES THE IMPORTANCE OF SERVING ITS MEMBERS AND THE PUBLIC IN A TIMELY, RESPONSIVE AND TRANSPARENT MANNER.

KEY TO SUCCESSFULLY SERVING THE LEGAL PROFESSION AND THE PUBLIC IS THE STRENGTH AND QUALITY OF THE PEOPLE WHO WORK AT THE LAW SOCIETY.



The people who work at the Law Society are committed to providing quality service and bring specialized experience and expertise to their roles.

The Law Society has a very loyal staff, as shown in the 2002 employee satisfaction survey where 85 per cent of those who participated, indicated that they are willing to put forth the extra effort to help the Law Society succeed in its mandate.

This strong level of loyalty and pride in serving the public and the profession creates a positive working environment at the Law Society. To build on this strength, the Law Society encourages and actively supports training and development for staff to upgrade and diversify their skills and maximize opportunities for success and advancement.

*Hiring employees who are
reflective of the communities we serve...*

The Law Society strives to reflect the population of Ontario by encouraging applications from persons representing the diversity of our profession and community.

As of December 2002, the Law Society's workforce of 365 employees was comprised of people from diverse backgrounds, 66 per cent of who were women. 60 per cent of the Law Society's management positions are held by women. In fact, seven out of nine members on the senior management team are women.

A total of 32 positions are designated bilingual in French and English. In addition, a significant number of Law Society employees can communicate in a wide range of languages such as Mandarin, Cantonese, Spanish, Portuguese, German and Italian, to name a few.

As part of our commitment to promoting diversity and equity, we offer employees training and development opportunities to assist them in being more culturally sensitive in dealing with each other and with persons of diverse backgrounds who need the Law Society's assistance.

For example, all new employees undergo training for the prevention of harassment and discrimination, including special additional training for managers. As well, we actively recruit employees from diverse backgrounds, all levels and departments of the organization to act as advisors under our Harassment and Discrimination Prevention Policy.

Staff also receive support materials that include appropriate language guidelines, policies that support the provision of French language services and tools that help them communicate more effectively with persons with disabilities. ♦

Our operating principles...



Prudent financial management...

AS THE REGULATOR OF THE LEGAL PROFESSION, THE LAW SOCIETY OF UPPER CANADA IS FUNDED BY LAWYERS' FEES. EACH YEAR, ONTARIO LAWYERS PAY AN ANNUAL LEVY TO SUPPORT THE OPERATION OF THE LAW SOCIETY, THE LAWYERS FUND FOR CLIENT COMPENSATION AND COUNTY LAW LIBRARIES.

IN 2002, THE MEMBERSHIP INCREASED BY APPROXIMATELY 2,000 MEMBERS BRINGING OVERALL MEMBERSHIP TO NEARLY 34,000, WHICH CONTINUES TO BE THE LARGEST BAR IN THE COUNTRY.

THE LAW SOCIETY ENDED 2002 IN A HEALTHY FINANCIAL POSITION WITH A WORKING CAPITAL RESERVE OF APPROXIMATELY \$8 MILLION, WHICH EQUATES TO TWO MONTHS OF OPERATING EXPENSES.

COMPONENTS	2003	2002	CHANGE
General Membership Fee*	\$1,014	\$1,120	\$106
Lawyers Fund for Client Compensation	\$280	\$290	\$10
County Law Libraries	\$195	\$208	\$13
Total	\$1,489	\$1,618	\$129

* Great Library expenditures are covered through General Membership Fee.

Together with the reduction in 2002, the Law Society has reduced the levy by almost \$300 per member over two years. For 2003, the annual levy of \$1,489, together with LawPRO's reduction in its base premium to \$2,500 per member – as a combined fee – is among the lowest in the last 10 years.

Lawyers Fund for Client Compensation...

The Compensation Fund's balance sheet continued to strengthen for the second year, with revenues exceeding expenses. Cash and short-term investments increased by \$3.1 million to \$12.2 million due to the surplus and lower actual grants paid.

Library Services...

Members support three types of library-related services through their fees: County and District Law Libraries (through LibraryCo.), the Great Library and CanLII (through the General Membership fee), with total expenditures in 2002 being approximately \$10.4 million. The per member annual fee of \$328 for 2003 represents about one third of the general membership levy.

Planning for the future...

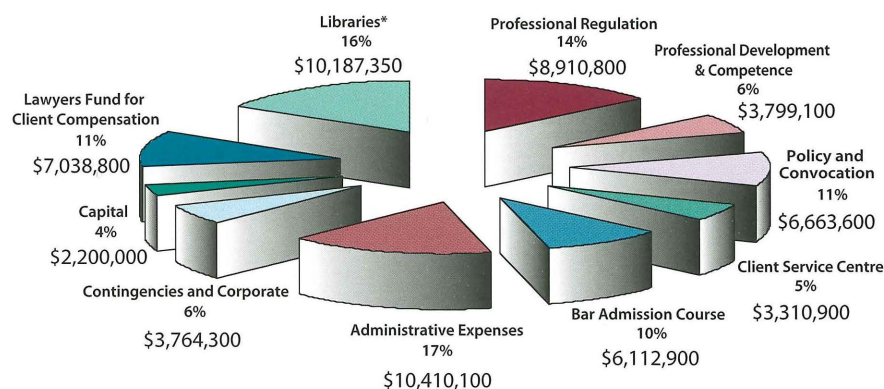
The Law Society's healthy financial position enables it to move into 2003 and beyond with a sustainable budget that provides some predictability for future fees and stable funding to deliver and build on essential programs and services such as continuing legal education and complaints processing. ♦



Minimal increases in expenditures funded by the General Membership Fee...

The Law Society has held the line on expenditures in virtually every area of the Law Society over which it has control. Any increases were in line with the current economic climate and reflected the Law Society's focus on its core functions: professional regulation and professional development and competence.

2003 Gross Expenditures by Function



Total Gross Expenditures: \$62,397,650

*Includes County Libraries, Great Library, and CanLII

ANNUAL GENERAL MEETING, 2003

WEDNESDAY, MAY 7, 2003

OSGOODE HALL, TORONTO

ORDER OF BUSINESS

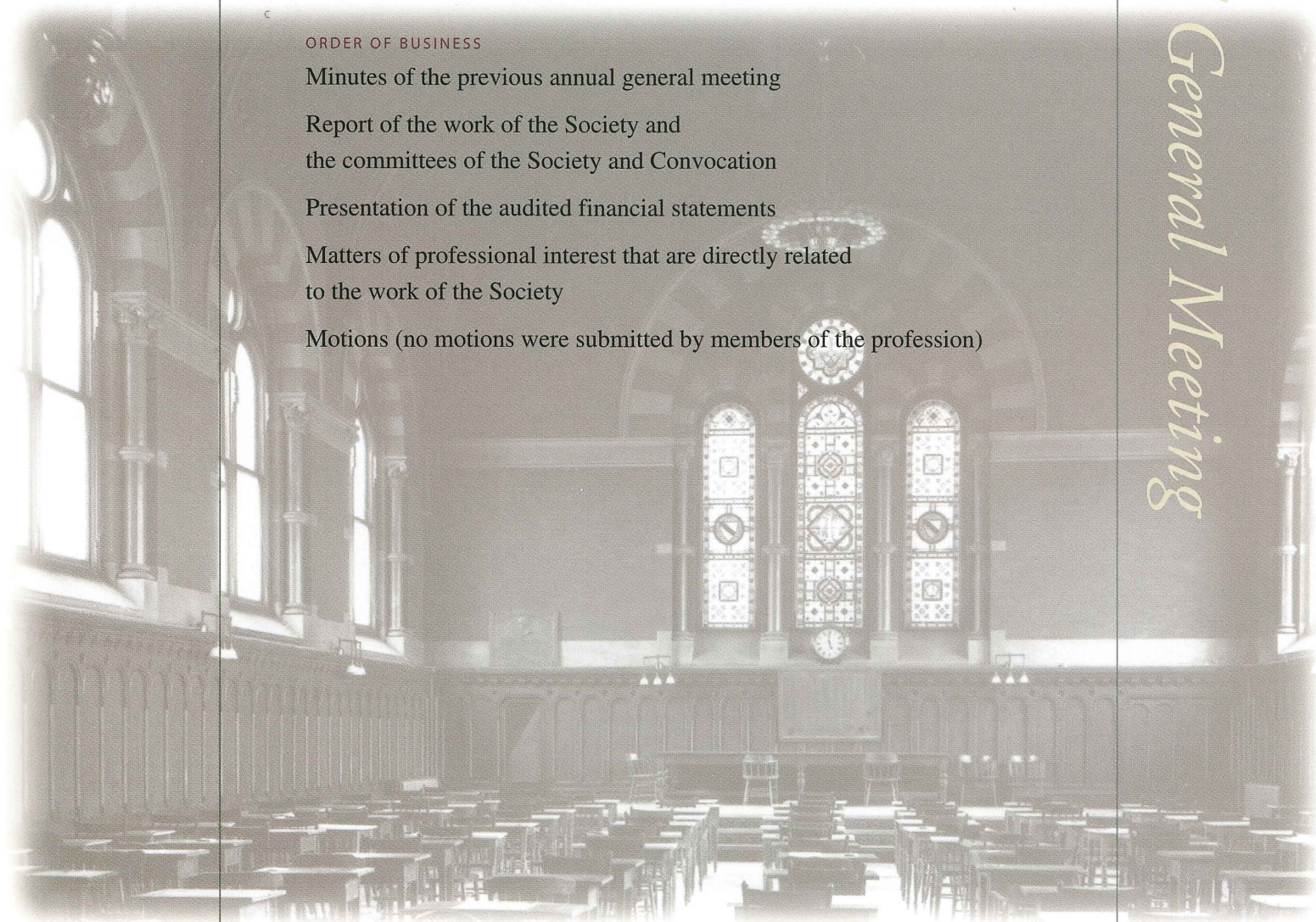
Minutes of the previous annual general meeting

Report of the work of the Society and
the committees of the Society and Convocation

Presentation of the audited financial statements

Matters of professional interest that are directly related
to the work of the Society

Motions (no motions were submitted by members of the profession)



Background photo:
Convocation Hall, circa 1918
(LSUC Archives, Photograph Collection, P2233)

BENCHERS OF THE LAW SOCIETY OF UPPER CANADA

Treasurer

Professor Vern Krishna,
Q.C., FCGA

Elected Benchers

Robert B. Aaron
Larry Banack
Gordon Bobesich
Leonard A.
Braithwaite, C.M., Q.C.
John A. Champion
Thomas J. P. Carey
Kim A. Carpenter-Gunn
Earl A. Cherniak, Q.C.
Paul Copeland
Marshall A. Crowe, LSM
Carole Curtis
Todd Ducharme
Abraham Feinstein, Q.C.
Neil Finkelstein
Avvy Go
Gary Lloyd Gottlieb, Q.C.
Holly A. Harris

George D. Hunter
Gavin MacKenzie
Ronald D. Manes
Frank N. Marrocco, Q.C.
Robert Martin
W. A. Derry Millar
Janet E. Minor
Gregory M. Mulligan
Ross William Murray, Q.C.
W. Niels Ortved
Marilyn L. Pilkington
Julian Porter, Q.C.
Judith M. Potter
Helene Bruce Puccini
Heather Joy Ross
Clayton C. Ruby
Joanne St. Lewis
William J. Simpson, Q.C., LSM
Gerald A. Swaye, Q.C.
Robert C. Topp
Donald D. White
Richmond C. E. Wilson, Q.C.
Bradley H. Wright

Appointed Benchers

Stephen Bindman
Abdul A. Chahbar
Andrew F. Coffey
Gillian M. Diamond
Pamela Divinsky
Seymour Epstein
Robert F. Lalonde
Barbara A. Laskin

Ex-Officio Benchers

The Hon. John D.
Arnup, Q.C., LSM
Marion Boyd
Ronald W. Cass, Q.C., LSM
John T. Clement, Q.C.
Austin M. Cooper, Q.C.
E. Susan Elliott
Gordon H. T.
Farquharson, Q.C., LSM
The Hon. George D. Finlayson
The Hon. James Flaherty

Patrick Garret

Furlong, Q.C., LSM
The Hon. Edwin A. Goodman,
P.C., O.C., Q.C.
The Hon. Wesley Gibson Gray
Howard G. Hampton
Charles A. Harnick, Q.C.
The Hon. Allan F.
Lawrence, P.C., Q.C., LSM
Laura L. Legge, Q.C.
Daniel J. Murphy, Q.C.
Brendan O'Brien, Q.C.
The Hon. Alan W. Pope, Q.C.
The Hon. Sydney L.
Robins, Q.C., LSM
The Hon. Allan M.
Rock, P.C., Q.C.
Arthur R. A. Scace, Q.C.
Ian G. Scott, Q.C.
The Hon. Norman Sterling
Harvey T. Strosberg, Q.C.
J. James Wardlaw, Q.C., LSM
Roger D. Yachetti, Q.C.
The Hon. David S. Young

Honorary Benchers

His Royal Highness Prince Charles, Prince of Wales
The Right Honourable Margaret Thatcher
Kenneth P. Jarvis, Q.C., RCA
The Honourable Lincoln M. Alexander, Q.C.

Background photo:

Meeting of Benchers and Judges on the
Occasion of the Call to the Bar of the Rt. Hon. R. B. Bennett, c. 1932,
(LSUC Archives, Photograph Collection, P778)

Photo on right:

Meeting of Convocation, March 27, 2003

CHANGES IN THE MEMBERSHIP OF CONVOCATION

APPOINTMENTS

Robert P. Armstrong, Q.C., Immediate Past Treasurer was appointed to the Ontario Court of Appeal on January 28, 2002.

Edward W. Ducharme was appointed to the Superior Court of Justice on May 31, 2002.

NEW BENCHERS

Holly A. Harris was elected a Bencher on September 19, 2002 to fill the vacancy resulting from the appointment to the Superior Court of Justice of Edward W. Ducharme on May 31, 2002.

DEATHS

Her Majesty Queen Elizabeth, The Queen Mother, an Honorary Bencher passed away on March 30, 2002.

Donald H. L. Lamont, Q.C., LSM, a Life Bencher, passed away on June 16, 2002.



SENIOR MANAGEMENT

CHIEF EXECUTIVE OFFICER

Malcolm Heins
416-947-3309

CHIEF FINANCIAL OFFICER

Wendy Tysall
416-947-3322

DIRECTOR, POLICY & LEGAL AFFAIRS

Katherine Corrick
416-947-5210

DIRECTOR, CLIENT SERVICE CENTRE

Terry Knott
416-947-7622

DIRECTOR, PROFESSIONAL DEVELOPMENT & COMPETENCE

Diana Miles
416-947-3328

DIRECTOR, INFORMATION SYSTEMS

Erik Sorenson
416-947-3392

DIRECTOR, HUMAN RESOURCES

Laura Cohen
416-947-3396

DIRECTOR, PROFESSIONAL REGULATION

Zeynep Onen
416-947-3949

DIRECTOR, COMMUNICATIONS & PUBLIC AFFAIRS

Lucy Rybka-Becker
416-947-7619

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PRESIDENT & CEO OF LAWYERS' PROFESSIONAL INDEMNITY COMPANY (LAWPRO)

Michelle Strom
416-598-5802

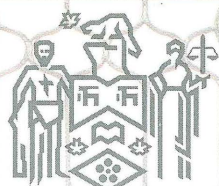
EXECUTIVE DIRECTOR OF LIBRARYCO INC.

Suzan Hebditch
905-639-7654

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GENERAL INQUIRIES

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General line: 416-947-3300
E-mail: lawsociety@lsuc.on.ca
Web site: www.lsuc.on.ca



LET RIGHT PREVAIL

The Law Society of
Upper Canada

Barreau
du Haut-Canada

THE
LAW SOCIETY
OF
UPPER-CANADA
ESTABLISHED
1797

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